October 7, 2004

Dear James

Thank you for your reply to our letter/assessment dated August 19, 2004.

You have submitted information showing you received interest and capital gain income. On your 1999 Wisconsin income tax return, you received substantial income from a business reported on a Schedule C. Please explain what happened to this business. Submit documents to verify this.

Please submit your reply with a copy of this letter within 30 days.

Sincerely,

Laureen Thoemke Plum
Laureen Thoemke Plum, Supervisor
Central Audit Unit

LKT:ANF:A130REVAJJS2161
A130 (R.6/01)
We are unable to locate a Wisconsin income tax return for you for the above year(s).

Please provide the information requested below.

I. IF YOU ARE NOT REQUIRED TO FILE, complete the enclosed income schedule and return it to the department.

II. IF YOU HAVE FILED, print or type the following information:

Name under which your return was filed ________________________________

Your social security number ________________________________

Address shown on the return filed ________________________________

If married: Spouse's complete name ________________________________

Social security number ________________________________

Approximate date the return was filed ________________________________

If you received a refund, enter amount ________________________________

If you paid additional taxes, enter amount ________________________________

Signature(s): Yours ________________________________ Spouse's ________________________________

NOTE: After complying with Parts I or II above as appropriate, you may consider this matter closed unless you receive a request for additional information within 30 days.

III. IF YOU ARE REQUIRED TO FILE a return for any of the year(s) shown above but have not done so, you are REQUESTED TO FILE the return(s) at this time. Any late-filed return is subject to interest at the rate of 18 percent per year on any tax due, a late filing fee and penalties, if applicable.

This is a request for a Wisconsin income tax return and not a federal return. The filing of a federal return does not relieve you of filing a Wisconsin return.

If you do not reply to this letter, an estimated assessment will be issued against you. Estimated assessments result in a considerably higher tax due compared to a person's actual tax liability.

Please send your reply and/or Wisconsin income tax return(s) along with this letter within thirty days to the address shown in the upper right-hand corner of this letter. If you need more time and/or have any questions, please contact the person above.

WISCONSIN DEPARTMENT OF REVENUE

[Signature]
**Complete the following if you feel you are not required to file return(s) for the year(s) shown on the front page of this letter.**

1. If you changed your legal residence from Wisconsin to another state, when did you change it and where did you establish your new legal residence?

   **Date**

   **State of new legal residence**

2. If you either maintained your legal residence in Wisconsin or received $2,000 or more of gross receipts (all income before deducting expenses) from Wisconsin sources *for the year(s) stated on the front page of this letter*, complete the schedule below.

   * Income from Wisconsin source is defined as but not limited to the performance, operation and/or transaction of any of the following in Wisconsin:

   1. personal services,
   2. a farm or sole proprietorship,
   3. a partnership or tax option (S) corporation, and
   4. the rental or sale of real estate and/or tangible personal property.

<table>
<thead>
<tr>
<th>TYPE OF INCOME</th>
<th>Amounts Received Each Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wage, salary, tip, etc.</td>
<td></td>
</tr>
<tr>
<td>Interest and dividend</td>
<td></td>
</tr>
<tr>
<td>Business</td>
<td></td>
</tr>
<tr>
<td>Sale or exchange of property</td>
<td></td>
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<tr>
<td>Pension and annuity</td>
<td></td>
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<tr>
<td>Rent and royalty</td>
<td></td>
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<tr>
<td>Partnership, estate and trust</td>
<td></td>
</tr>
<tr>
<td>Small business corporation</td>
<td></td>
</tr>
<tr>
<td>Farm</td>
<td></td>
</tr>
<tr>
<td>Other (state type):</td>
<td></td>
</tr>
</tbody>
</table>

3. If you feel you are not required to file a Wisconsin Income tax return for the year(s) mentioned in this letter, please explain on a separate paper.

4. Your signature

See attachment